



CHESTERFIELD COUNTY ADMINISTRATIVE POLICIES AND PROCEDURES

Department: Human Resources
Subject: Workers' Compensation

Policy Number: 6-3
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I. INTRODUCTION

- A. This document outlines the basic structure of Virginia Workers' Compensation law, the procedures supervisors and employees must follow after an on-the-job injury, and authorizes supplemental payments for injured employees in certain circumstances.
- B. The Workers' Compensation law enacted by the legislature of the Commonwealth of Virginia sets the requirements for the employer in the handling of employee illness, injury and disability arising from a job-related accident. Enforcement and interpretation of this law rests primarily with the Virginia Workers' Compensation Commission.
- C. The law generally provides that all necessary medical costs arising from a job-related accident or illness shall be paid by the employer. Payments for lost time (salary) shall begin the 8th calendar day from the date of accident and continue until the employee is able to return to work or returns to work, for a maximum of up to 500 weeks. When the workers' compensation leave exceeds 21 calendar days, the employee is reimbursed for the first seven calendar days. The law states that the employee shall be paid on the following basis: 2/3 of the employee's gross weekly wage with a minimum and a maximum dollar amount per week as set by law and subject to revision periodically. These payments are also subject to a cost of living increase as long as the maximum is not exceeded.
- D. The intent of this law is to provide for the financial needs of the employee and provide incentive for the individual to return to work

II. RESPONSIBILITIES

- A. Chesterfield County workers' compensation is self-insured and administered through:
Chesterfield County Risk Management
10000 Courtview Lane
Chesterfield, Virginia 23832
(804) 318-8800
- B. Risk Management is authorized to handle employee claim settlements, except those referred to the County Attorney's Office. Under the Risk Management Plan, some settlements require final approval by the County Administrator.
- C. The County Attorney's Office is responsible for the handling of contested claims, including those scheduled for a hearing before the Virginia Workers' Compensation Commission.
- D. Human Resources (HR) is available for providing information to employees on benefits related to Workers' Compensation, Long Term Disability, Disability Retirement and Social Security Disability. HR will also assist employees in completing necessary paperwork and answer questions related to these benefits.
- E. The Payroll section of Accounting is responsible for processing workers' compensation payments, calculating and paying supplemental benefits, charging leave when utilized to supplement workers' compensation, and notifying the employee of workers' compensation payments and the impact on their check and leave balance.

- F. Departments are responsible for accurately reporting time lost in the Time and Attendance system as “WCH” if potentially related to on-the-job injuries or illness and for completing required forms and forwarding to Risk Management.

III. POLICY

- A. Chesterfield County provides workers’ compensation as required by the Code of Virginia. In addition, the county also voluntarily pays a supplement to workers’ compensation in certain situations for both full time and part time employees, and this supplement will continue for 42 calendar days after the accident. In the event a supplemental payment is made, the supplemental amount and the workers’ compensation benefit will equal (in total) the average bi-weekly net pay of the employee based on the twelve-month period prior to the injury (hereafter referred to as the “average net before injury”). For consistency purposes, Payroll will use the current voluntary deductions (Credit Union, Flex-accounts, Health, Dental, etc.) to figure the “average net before injury” amount.
- B. In the event the compensable disability lasts longer than 42 calendar days, the statutory workers’ compensation benefits may be supplemented by the utilization of, first, compensatory time, then accrued sick leave and, finally, annual leave. For employees in the paid time off leave plan the statutory workers’ compensation benefits may be supplemented by the utilization of, first, compensatory time, and then paid time off leave. Risk Management will consult with the employee and will notify Payroll if the employee wishes to utilize leave. Such leave time shall be charged at the rate determined by dividing the gross income supplement amount by the employee’s regular hourly wage or the employee’s yearly salary divided by 2,080. (For 24-hour employees, leave time shall be charged at the rate determined by dividing the gross income supplement amount by the employee’s regular hourly wage or the employee’s yearly salary divided by 2,912.) When leave time is utilized as a supplement, the combination of leave time and the workers’ compensation benefit will not exceed the “average net before injury” amount. Once the employee’s leave balance is exhausted, the supplemental pay will end and the employee will receive only the statutory workers’ compensation benefits.
- C. In the event the compensable disability lasts longer than 84 calendar days, the employee will receive only the statutory workers’ compensation benefits beginning on the 85th calendar day, except for sworn personnel in the Sheriff’s Office, who may continue to supplement wages as outlined in the Code of Virginia, § 15.2-1511.01.
- D. The county will issue the employee one paycheck that will include the statutory workers’ compensation benefits and any supplemental pay, whether it is the county supplement or the employee’s leave pay being utilized as a supplement. Voluntary deductions will be withheld from such checks. The county shall continue VRS Retirement/Life Insurance, the employer’s share of health and dental care premiums, and leave accruals while the employee is receiving statutory workers’ compensation benefits and supplemental pay. If the employee is receiving statutory workers’ compensation benefits only (no supplemental pay), the employee will not be reported to VRS for that month for retirement purposes. The employee will be reported for life insurance only and the county shall continue the employer’s share of health and dental premiums, and applicable leave accruals. When the employee returns to work he/she has the opportunity to purchase the service credit missed at a rate of 5% of their current pay. VRS will notify them that the service is available for purchase; however, the employee must initiate the request through the Department of Human Resources. Employees are encouraged to begin the process as soon as possible upon their return, since the 5% is based on their salary at the time of purchase, which may be higher than their salary during the time of absence.
- E. Voluntary deductions will be withheld from such checks. The county shall continue VRS Retirement/Life Insurance, the employer’s share of health and dental care, and paid time off or sick leave and vacation leave accrual until employment terminates.

- F. Depending on the duration of workers' compensation leave and nature of manpower needs, the county cannot guarantee employment after a long absence. However, efforts will be made to provide productive work if it is available.
- G. Should any employee turn down work offered that he/she is capable of performing, the county shall cease payment of any supplement. Additionally, the county may contest the employee's entitlement to further workers' compensation benefits before the Virginia Workers' Compensation Commission. The Virginia Workers' Compensation Commission does not have jurisdiction to adjudicate any matters relating to any supplemental payments.
- H. The county will comply with Family Medical Leave Act requirements (Administrative Procedure 6-20) in the application of this policy.

IV. PROCEDURES

- A. **First Report of Injury** – When the injury exceeds on-site first aid, the First Report of Injury is to be completed and signed by the person designated within the department to complete this form and will include his/her title. The form will state the employer's version of events. The original of the First Report of Injury will be delivered along with one copy of the Employee's/Supervisor's Report of Injury within 24 hours of the occurrence of the accident to the Risk Management Department. All sections of the form shall be completed, including the home telephone number of the employee. Excessive or repeated delays in receiving completed reports shall be reported to the County Administrator.
- B. **Employee's/Supervisor's Report of Injury** – This report should be retained by the supervisor and a copy forwarded to the department director. If the injury exceeds on-site first aid, it should also be forwarded along with the First Report of Injury to the Risk Management Department. The purpose of this report is to identify all factors that contributed to the accident so that corrective action can be instituted if necessary.
- C. **Agreement to Pay Benefits** – This form will be offered to the employee for any accepted workers' compensation leave that exceeds seven calendar days. This agreement provides for wage benefits and payment of medical expenses pursuant to Virginia workers' compensation law.
- D. **Termination of Wage Loss Award** – When the employee is able to return to work or returns to work, the employee is requested to sign this form attesting to the amount, nature and duration of workers' compensation payments.
- E. **Supplemental Agreement to Pay Benefits** – This form will be completed whenever additional periods of compensation occur for an accident or illness for which an initial Agreement to Pay Benefits has already been submitted.
- F. The Risk Management Department will be responsible for preparing and forwarding the Agreement to Pay Benefits and Termination of Wage Loss Award for signature by the employee. The forms should be signed promptly and returned to the Risk Management Department. Any questions or concerns regarding the Agreement to Pay Benefits or Termination of Wage Loss Award should be promptly directed to the Risk Management Department.
- G. **List of Approved Physicians** – Except in emergency situations, all medical care must be supplied by one of the county approved physicians. A list of approved physicians is provided by Risk Management to the supervisor of the injured employee. The supervisor shall ensure that County employees sign the list of approved physicians acknowledging receipt. The signed form shall be immediately forwarded to Risk Management. The employee who is injured or anyone assisting the employee shall inform the attending medical staff that the injury is a workers' compensation case, with Chesterfield County being the responsible party for payment.

- H. The costs of any initial emergency room treatment rendered prior to the claim being accepted or denied as compensable should be submitted to the county's Risk Management Department. If the claim is denied, the county will advise the employee and invoicing entity and the cost associated with the initial emergency room treatment will be the responsibility of the employee or his/her health insurance provider. The county will, however, reimburse the employee for any payment not covered by insurance made by the employee that is related to the initial emergency room treatment.

The county will pay the costs for the initial medical care visit, if the employee seeks medical care from an approved physician (see Section IV.G.), regardless of whether the claim is accepted or denied as compensable. If the employee's claim is denied, the costs of medical treatment beyond the initial medical care visit will be the responsibility of the employee or his/her health insurance provider.

- I. **Additional Reports** – Supplemental reports, wage statements and other reports as necessary will be completed by the department director and delivered to the Risk Management Department upon request.

V. UTILIZATION OF LEAVE TIME

Accrued sick leave, paid time off, annual or compensatory leave time may only be used by the employee in lieu of workers' compensation if permitted under other provisions of the county's Personnel Policies and Procedures, e.g. Family Medical Leave Act. However, as stated in Section II, in the event an employee's compensable disability lasts longer than 42 calendar days, the statutory workers' compensation benefits may be supplemented by the utilization of compensatory time, accrued sick leave and then annual leave for an additional 42 calendar days. For employees in the paid time off plan in the event an employee's compensable disability lasts longer than 42 calendar days, the statutory workers' compensation benefits may be supplemented by the utilization of paid time off. Sworn personnel in the Sheriff's Office may continue to supplement wages beyond 84 calendar days, as outlined in the Code of Virginia, § 15.2-1511.01.

VI. SUBROGATION

The county's claim for recovery of all monies paid or to be paid pursuant to the workers' compensation laws set forth in the Code of Virginia constitutes a lien against any recovery obtained against a third party responsible for the accident/injury. The county will be reimbursed from any settlement with or judgment against a third-party responsible for a compensable injury. Proceedings involving the county's subrogation rights and/or the county's workers' compensation lien will be conducted in accordance with the applicable provisions of the Code of Virginia.